STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF MATADOR PRODUCTION COMPANY AND MRC PERMIAN COMPANY TO REQUIRE LANEXCO INC. TO PLUG AND ABANDON THE CERRO COM. WELL NO. 1, OR IN THE ALTERNATVE TO REMOVE LANEXCO INC. AS OPERATOR OF RECORD OF THE CERRO COM. WELL NO. 1, EDDY COUNTY, NEW MEXICO.

Case No. 15772

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Matador Production Company

Suite 1500

Attention:

5400 LBJ Freeway

Dallas, Texas 75240

Dana Arnold

(972) 371-5284

OPPONENT

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order requiring Lanexco Inc. to commence, within thirty days after entry of the requested order, the plugging and abandonment of the Cerro Com. Well No. 1, or, in the alternative, removing Lanexco Inc. as operator of record of the Cerro Com. Well No. 1 and approving Matador Production Company as operator of the well. The Cerro Com. Well No. 1 (API No. 30-015-22626), is located 2080 feet from the north line and 760 feet from the west line (Unit E) of Section 11, Township 23 South, Range 27 East, N.M.P.M.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST, TIME	EXHIBITS
Chris Carleton (landman)	25 min.	Approx. 8
Adam Lange (engineer)	20 Min.	Approx. 4
Chris Villareal (engineer)	20 Min.	Approx. 4

OPPONENT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

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Attorney for Matador Production Company